RG104 E-1 Box 126 Feb-June 1882

Treasury Department,
BUREAU OF THE MINT,

Washington, D. C., March IIth., 1882

Sir:

Your letter of the 4th. inst., inclosing letter of the Assayer of your Mint, dated the 3rd. inst., asking an interpretation of certain paragraphs of the schedule of charges, is received.

As to the first inquiry, whether the additional charge of TO cents, or one tenth of a cent per ounce gross of deposit is to be imposed on a gold deposit of United States or foreign coin assaying 895 fine, I answer: The language used appears to me to leave no doubt on the subject. Bullion not required to be parted or refined is subject to a melting charge at the rate of TOO cents or one tenth of one cent per ounce. If it is required to be parted or refined, and not a silver purchase, the same rate is to be imposed as a part of the parting and refining charge. The clause imposing what may be called "a per-deposit," parting or refining charge plainly defines that it is on deposits requiring parting, (except silver purchased) or refining gold, for each deposit of I,000 ounces or less etc., while, in case the deposit is for gold coin or standard gold bars, it is the "rate per ounce" charge that is limited to the number of ounces required to be refined to raise the whole to standard. For a year and a half the charges have been imposed daily without any suggestion hitherto of ambiguity or doubt as to

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the construction.

As to the second question, Does the clause " for gold coin or standard gold bars the rate per ounce charged will be imposed only on the number of ounces required to be refined to raise the whole to standard " mean for a deposit of gold coin or a deposit of any bullion for gold coin? It means, not a deposit of, but a deposit for, gold coin or standard gold bars. It was intended to apply only, as a similar provision in the Instructions of 1874, applied, to the refining of gold. The propriety of imposing the charge on a less number of ounces for refining bullion deposited for gold coin or gold bars was not considered. In revising the schedule in 1880, it was attempted to secure uniformity in classification with the least possible change in phraseology and rates, making, however, a per-deposit parting or refining charge in order to collect under parting and refining for all the incidental expenses attending those operations.

As to the other point under the second head, I am not aware of anything in the Regulations that forbids " toughening " and imposing a charge therefor on bullion deposited for coin or standard bars, and also a parting charge, if both operations are necessary.

Third, as to the meaning of the word " standard." It was intended to be used in the sense employed in the Schedule of Charges on the same subject contained in the Instructions of 1874.

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If a gold deposit at 899 or silver at 897 fine are to be returned 900 fine, a charge for refining would seem to be proper. If such bars do not require to be refined, the omission of a refining charge might be authorized under the clause on page 6, which provides that the charge will be collected only when the character of the bullion requires the operations to be performed.

As to the fourth question, Is the gold in a silver purchase subject to an additional charge of 100 cents? It is not. The "per-deposit" charge applies to, or is excepted in each case from, the gross amount of the deposit.

You have doubtless observed that none of the errors to which attention was called in my letter of the 14th. ~~last,~~ occurred in imposing charges under the clauses referred to, the proper construction of which has been requested, but were clerical errors of computation and the erroneous imposition of a bar charge. The restoration of the latter is suggested by the Assayer in order to recover the cost of refining gold to a point beyond the ordinary refining for coinage. The expenses of refining ought not to be provided for by a "bar charge", which is defined and authorized under Section 3,524 as a charge for the "preparation of bars." If the charge for refining gold is insufficient to meet the average cost of that operation at your Mint, the proper remedy will be to increase the "per-deposit" or "rate per ounce" charge for refining.

Respectfully,

Horatio C. Burchard

Director.

A. Loudon Snowden, Esq.,
Supt. Mint of the U.S.,
Philadelphia, Pa.

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D. M.

Wash. D. C.

March 11/82

H. C. Burchard

Reply to Assayer's
Letter of March 3/82,
asking an interpre-
tation of certain
paragraphs of the
Schedule of charges.

Rec'd March 13th 1882.

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[Abstract:] Reply to Assayer's Letter of March 3, 1882, asking an interpretation of certain paragraphs… 282

Treasury Department,
Bureau of the Mint,
Washington, D.C.,
March 11, 1882

Sir:

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As the other point under the second head, I am not aware of anything in the Regulations that forbids "toughening" and imposing a charge therefore on bullion deposited for coin or standard bars, and also a parting charge, if both operations are necessary.

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Horatio C. Burchard
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